

From: Tony Gallegos
To: TMUNSON
Subject: M/045/002 Reilly Wendover

DOCUMENTATION OF 4/15/96 MEETING @ DOGM

The meeting was attended by: Phil Allard, BLM Salt Lake District; Jim ___, Stan Perks, BLM State Office; Will Stokes, SITLA; Tony Gallegos, Lynn Kunzler, Wayne Hedberg, DOGM. The purpose of the meeting was to update the Division on the salt replacement proposal and other permit issues regarding Reilly.

Three items were received by the Division in association with this meeting (a feasibility study, an agreement to conduct the salt laydown project, and a map showing land status). The map shows a portion of lands which are state owned, but administered by the BLM. This unusual situation is the result of the state acquiring these lands through an "in lieu" selection after the leases were granted by the BLM. Terms such as "salt replacement" and "reclamation" have been avoided in the two documents due to these terms implying that Reilly has accepted responsibility for the diminishing salts in the salt flats. The BLM, SITLA and Reilly are party to the agreement to conduct a 5 year salt laydown project. The Save the Salt organization was invited to be a party to this agreement, but they declined. The project will involve pumping water into an old process pond to dissolve salts in the pond, then pump this salt solution to the salt flats area during 6 months of the year for evaporation. Eventually, this would allow Reilly to use the process pond again after sufficient salt has been removed. In order to perform this project Reilly will need to drill additional wells, construct several dikes north of the interstate, receive UDOT approval to use an existing culvert system under the interstate (and then clean out the culvert system), and post a performance bond with the BLM. This project is being treated separate from the BLM and SITLA lease management.

BLM has been preparing a reclamation estimate for the features and structures located on federal lands. Prior to this, Reilly did not have a reclamation surety posted with the BLM for their lease, although the terms of the lease require such a surety. The BLM will need a separate surety for rental, royalty & reclamation of the lease (i.e. the MOU with DOGM does not apply). This reclamation estimate will not include reclamation of any of the features constructed under the salt lay down project. The BLM anticipate presenting the estimate to Reilly in another 2-3 weeks at the earliest.

The Division was waiting until the salt lay down issue was resolved before proceeding with our adjustment of the reclamation estimate. A new issue to be decided is whether the Division would consider any of the features constructed for the salt lay down project as part of the site reclamation. A number of these features will be constructed on portions of the permit area considered to be under DOGM jurisdiction only.

SITLA may or may not require their own separate surety for reclamation of those features which are on their lands. Features constructed under the salt lay down project would not be included in SITLA's surety.

A COPY OF THIS MESSAGE HAS BEEN SENT TO FILE M/045/002

CC: boss man